



**Dart Harbour**

**Dart Harbour & Navigation Authority**

**Report and Financial Statements**

**for the year ended 31 December 2020**

# **Dart Harbour & Navigation Authority**

## **Company Information**

### **Members**

M Burden  
T Davis  
T Dewing  
J Distin  
J Dodd  
J Ellwood  
T Harwood  
M Lessels  
J Milson

### **Auditors**

Northcott Trumfield Chartered Accountants  
Devonshire Villa  
52 Stuart Road  
Stoke  
Plymouth  
PL3 4EE

### **Business address**

6 Oxford Street  
Dartmouth  
Devon  
TQ6 9AL

### **Bankers**

Lloyds Bank Plc.  
PO Box 1000  
BX1 1LT  
  
Cater Allen Limited  
29/33 Princess Victoria Street  
Clifton  
Bristol  
BS8 4BY

### **Actuaries**

Mercer Limited  
Rosemoor Court  
Pynes Hill  
Exeter  
EX2 5TU

# **Dart Harbour & Navigation Authority**

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# **Dart Harbour & Navigation Authority**

## **Members' report for the year ended 31 December 2020**

The Authority Members present their report and the financial statements for the year ended 31 December 2020.

### **Principal Activity and Status**

The Dart Harbour and Navigation Authority (the Authority) was established by Act of Parliament on the 1 August 1975 to administer the Trust Port of Dartmouth. The Act made the Authority a body corporate with perpetual succession and a common seal and is referred to as a company in these financial statements.

In addition to its statutory duties the Authority also operates moorings and pontoons in the River Dart on the fundus leased from the Duchy of Cornwall.

As a Trust Port, the Authority is a 'not for profit' organisation and totally self financing. The Authority generates its income from harbour dues, the provision of marine facilities and services, and other business activities. The Authority has no shareholders, no owners, and there are no distributable profits.

One of the features of the form of accounts required by the Companies Act is the use of the word 'profit' to describe the surplus of income over expenditure, referred to as a 'Credit to the Reserve Fund' under the Dart Harbour and Navigation Authority Act 1975. Any profit after corporation tax is used for financing of capital expenditure or facilities for the benefit of harbour users and local stakeholders, and to build reserves for financial stability.

### **Chairman's Report**

The role of the board of Dart Harbour & Navigation Authority is to set and maintain a strategy for managing, preserving and improving the valuable, beautiful and vibrant port that is Dart Harbour. The purview of the Board crosses many disciplines in achieving this: safety, policies of port management, statutory compliances, finance, positioning of Dart Harbour in the ports sector, relationships with outside bodies, and maintaining a staff to uphold these roles to name but a few. Our aim as a collective body is to listen to opinion, led by our stakeholder groups, and use this, our own understanding, collective skills and research to optimise Dart Harbour for current and future users.

### **Summary of Activity**

The activities for 2020 have been affected by the arrival of the Covid 19 Pandemic and the limitations on normal operational practice that began in March and, a subsequent range of restrictions that needed management throughout the year. This period of uncertainty was further exacerbated by a change of Chairman early in the year, and the resignation of the Harbour Master in the summer.

A high-level review of the Authority's Governance and a reappraisal of the working practices at Board level was undertaken during the summer. Meanwhile, the requirement for social distancing mandated significant changes to the working practices, with the introduction of watch system for operatives ashore and afloat and the adoption of virtual meetings for the Board. Regrettably the opportunities for engagement with our stakeholders were few and far between.

The year saw a significant shift from the normal pattern of business because of the pandemic. Specifically, many of the planned visits by the larger ships were cancelled, but the harbour was able to attract more of the super-yachts, and other boats that would otherwise have travelled across the Channel. Despite the overall reduction in activity and consequent loss of income, the Authority made use of the furlough scheme offered by the Government and were able to end the year with only a minimal shortfall of some £40k compared to the turnover of nearly £1.6m (down c. 3.5% on 2019).

## **Dart Harbour & Navigation Authority**

### **Members' report for the year ended 31 December 2020**

.....continued

Included in this net result is the prudent write down c. £101k for contingent liability dating back to March 2016 and the sinking of a vessel. Thus, underlying profitability was positive in 2020. Given the difficulties faced, the results can only be seen as a considerable success.

The Authority made capital investments of c. £233k during the year (mainly pontoon and jetties) and total net assets remain at c. £2.7m. The reserves continue to be substantial with cash holdings at a temporarily higher level than usual, but they are considered appropriate after some risk-assessment analysis in earlier years due to the ongoing uncertainty of operations as the pandemic continues into 2021.

The staff remain the single most important factor in the smooth running of Dart Harbour. The average monthly number of employees during the year was 36, up from 32 in 2019. Staff were safeguarded effectively during the pandemic and adapted well to alternative working practices. The Directors are extremely grateful to them for their continued hard work and dedication to DHNA.

#### **Members**

The members who served during the year are as stated below:

J Dodd	Chairman	
M Hubbard	Chairman	Resigned April 2020
Z Briant-Evans		Resigned December 2020
M Burden		
A Davis		Appointed January 2021
T Dewing		
J Distin		
S Duncan		Resigned April 2020
R Eggleton		Resigned September 2020
J Ellwood		
T Harwood		Resigned October 2020
M Lessels		
J Milsom		Appointed January 2021
J Rawlings		Resigned in 2021
A Tudor		Resigned October 2020

The day to day operations of the Authority are delegated to the Harbour Master / Chief Executive Officer and Senior Management Team.

The Board members had 9 official meetings in 2020.

## **Dart Harbour & Navigation Authority**

### **Members' report for the year ended 31 December 2020**

.....continued

#### **Statement of members' responsibilities**

The Board members are responsible for preparing the members' Annual Report and the financial statements in accordance with applicable law and regulations and ensure there are members with relevant financial experience.

Company law requires the Board members to prepare financial statements for each financial year. Under that law the Authority Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Authority and the profit or loss of the Authority for that year. In preparing these financial statements, the Authority Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in business.

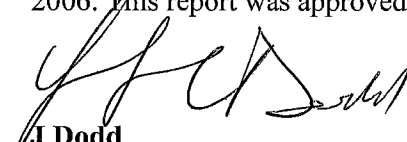
The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Authority's transactions and disclose with reasonable accuracy at any time the financial position of the Authority and enable them to ensure that the financial statements comply with section 42 of the Harbours Act 1964 (as amended) which requires that the financial statements be properly prepared in accordance with the Companies Act 2006. They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The members consider the going concern basis to be appropriate in preparing the accounts based on future plans and current resources.

The Authority members are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the members are aware:

- i) There is no relevant audit information of which the Authority's auditors are unaware; and
- ii) We have taken all the steps that we ought to have taken as members in order to make ourselves aware of any relevant audit information and to establish that the Authority's auditors are aware of that information.

This report has been prepared having taken advantages of the small companies' exemption of the Companies Act 2006. This report was approved by the board on 29 September 2021 and signed on its behalf by:



**J Dodd**  
Chairman

## **Independent auditor's report to the Members of Dart Harbour & Navigation Authority**

### **Opinion**

We have audited the financial statements of Dart Harbour & Navigation Authority (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020, and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

**Independent auditor's report to the Members of  
Dart Harbour & Navigation Authority**

**Other information**

The other information comprises the information included in the members' report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the members' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006 and the Harbours Act 1964, as amended by the Transport Act 1981**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the members' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the members' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the members' report.



## **Independent auditor's report to the Members of Dart Harbour & Navigation Authority**

### **Responsibilities of members**

As explained more fully in the members' responsibilities statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain an understanding of the legal and regulatory framework applicable to the company and the preparation of the financial statements, including but not limited to, FRS 102, Companies Act 2006, Harbours Act 1964 as amended by Transport Act 1981 and the relevant tax legislation in the UK.

The company has implemented procedures to mitigate non-compliance with those laws and regulations, including fraud, which we test and review. We believe the audit engagement team is competent to identify areas of non-compliance with laws and regulations.

Audit procedures included the following:-

- Discussion and inquiry of management of compliance with laws and regulations and any known cases of non-compliance including reviewing any significant correspondence with the relevant regulator,
- Addressing the risk of fraud through management override of controls, testing the appropriateness of material journals and adjustments in the compilation of the financial statements and a review of any material journals,
- Considering and discussing with management the reasonableness of assumptions and methods adopted in the calculation of the deferred income.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**Independent auditor's report to the Members of  
Dart Harbour & Navigation Authority**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Guy Northcott Bsc FCA DChA (senior statutory auditor)  
For and on behalf of Northcott Trumfield  
Chartered Accountants & Statutory Auditor**

**29 September 2021**

**Devonshire Villa  
52 Stuart Road  
Stoke  
Plymouth  
PL3 4EE**

**Dart Harbour & Navigation Authority**

**Income statement  
for the year ended 31 December 2020**

	<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Turnover</b>	<b>2</b>	1,586,219	1,644,211
Cost of sales		<u>(1,187,554)</u>	<u>(1,120,603)</u>
<b>Gross profit</b>		398,665	523,608
Administrative expenses		<u>(455,866)</u>	<u>(395,397)</u>
<b>Operating profit/(loss)</b>		(57,201)	128,211
Interest receivable and similar income	<b>4</b>	50,826	14,221
Interest payable and similar expenses	<b>5</b>	<u>(5,271)</u>	<u>(5,688)</u>
<b>Profit/(loss) before taxation</b>		(11,646)	136,744
Tax on ordinary expenses		<u>(30,072)</u>	<u>(35,217)</u>
<b>Profit/(loss) for the year</b>		<u>(41,718)</u>	<u>101,527</u>

**The notes on pages 12 to 23 form part of these financial statements**

**Dart Harbour & Navigation Authority**

**Statement of comprehensive income  
for the year ended 31 December 2020**

	<b>2020 £</b>	<b>2019 £</b>
<b>Profit/(loss) for the financial year</b>	<u>(41,718)</u>	<u>101,527</u>
Actuarial gain/(loss) recognised on defined benefit pension scheme	17,000	(39,000)
Taxation in respect of items in other comprehensive income	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the year</b>	<u>17,000</u>	<u>(39,000)</u>
<b>Total comprehensive income for the year</b>	<u><u>(24,718)</u></u>	<u><u>62,527</u></u>

**The notes on pages 12 to 23 form part of these financial statements**

# Dart Harbour & Navigation Authority

## Statement of financial position as at 31 December 2020

	Notes	2020	2019
		£	£
<b>Fixed Assets</b>			
Intangible assets	6	-	1,282
Tangible assets	7	2,642,102	2,526,425
Investments	8	<u>3,000</u>	<u>3,000</u>
		2,645,102	2,530,707
<b>Defined benefit pension asset</b>	15	255,000	269,000
<b>Current Assets</b>			
Stocks		28,021	22,368
Debtors due within one year	9	106,121	196,488
Bank waiting list deposits	10	108,403	99,705
Cash at bank and in hand	11	<u>903,514</u>	<u>691,572</u>
		1,146,059	1,010,133
<b>Creditors: amounts falling due within one year</b>	12	<u>821,562</u>	<u>557,516</u>
<b>Net current assets</b>		<u>324,497</u>	<u>452,617</u>
<b>Total assets less current liabilities</b>		3,224,599	3,252,324
<b>Creditors: amounts falling due after more than one year</b>	13	(312,051)	(345,130)
<b>Provisions for liabilities</b>	14	<u>(253,955)</u>	<u>(223,883)</u>
<b>Net assets</b>		<u>2,658,593</u>	<u>2,683,311</u>
<b>Capital and reserves</b>			
Accumulated reserves		<u>2,658,593</u>	<u>2,683,311</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board on 29 September 2021 and signed on its behalf by

  
J Dodd - Chairman

The notes on pages 12 to 23 form part of these financial statements

**Dart Harbour & Navigation Authority**

**Statement of changes in reserves  
for the year ended 31 December 2020**

	<b>£</b>
<b>As at 1 January 2019</b>	<u>2,620,784</u>
<b>Profit for the year</b>	<u>101,527</u>
Actuarial gain/(loss) recognised on defined benefit pension scheme	(39,000)
Taxation in respect of items in other comprehensive income	-
<b>Other comprehensive income for the year</b>	<u>(39,000)</u>
<b>Total comprehensive income for the year</b>	<u>62,527</u>
As at 31 December 2019	2,683,311
<b>Profit/(loss) for the year</b>	(41,718)
Actuarial gain/(loss) recognised on defined benefit pension scheme	17,000
Taxation in respect of items in other comprehensive income	-
<b>Other comprehensive income for the year</b>	<u>17,000</u>
<b>Total comprehensive income for the year</b>	<u>(24,718)</u>
<b>As at 31 December 2020</b>	<u><u>2,658,593</u></u>

The notes on pages 12 to 23 form part of these financial statements

# Dart Harbour & Navigation Authority

## Notes to the financial statements for the year ended 31 December 2020

### 1. Summary of significant accounting policies

#### (a) General information and basis of preparation

The Dart Harbour and Navigation Authority (the Authority) was established by Act of Parliament on the 1 August 1975 to administer the Trust Port of Dartmouth. The Act made the Authority a body corporate with perpetual succession and a common seal and is referred to as a company in these financial statements. The Authority's business address is 6 Oxford Street, Dartmouth, Devon, TQ6 9AL.

In addition to its statutory duties the Authority also operates moorings and pontoons in the River Dart on the fundus leased from the Duchy of Cornwall.

As a Trust Port, the Authority is a 'not for profit' organisation and totally self financing. The Authority generates its income from harbour dues, the provision of marine facilities and services, and other business activities. The Authority has no shareholders, no owners, and there are no distributable profits.

The financial statements have been prepared in accordance with FRS102 1A "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102), and comply with the standard.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Intangible assets - other

Intangible assets acquired separately from a business are capitalised at cost.

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

<i>Intangible type</i>	<i>Useful life</i>
Computer software	5 years

Provision is made for any impairment.

#### (c) Turnover

Turnover comprises the revenue value, exclusive of value added tax, of services provided to third parties in respect of port operations, and logistics together with sundry and other revenue.

Revenue in respect of port operations is recognised when the service has been provided.

## **Dart Harbour & Navigation Authority**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **(d) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land	-	not depreciated
Freehold buildings	-	2% straight line
Leasehold property	-	2% straight line
Plant and machinery and boats	-	15-20% reducing balance
Fixtures, fittings and equipment	-	20% reducing balance / 33.33% straight line
Navigation facilities	-	2% straight line
Pontoon and jetty	-	5% straight line

#### **(e) Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Current asset investments are at the lower of cost and net realisable value.

#### **(f) Stocks**

Stocks are stated at the lower of cost and estimated selling price. Cost includes all costs of purchase and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

#### **(g) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

#### **(h) Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

#### **(i) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.



## **Dart Harbour & Navigation Authority**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **(j) Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### **(k) Leases**

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **(l) Tax**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

#### **(m) Pensions**

The difference between the fair value of the assets held in the group's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the group's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the surplus is able to be recovered either through reduced contributions in the future or through refunds from the scheme.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

## **Dart Harbour & Navigation Authority**

### **Notes to the financial statements for the year ended 31 December 2020**

#### **(n) Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are revised for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# Dart Harbour & Navigation Authority

## Notes to the financial statements for the year ended 31 December 2020

### 2. Turnover

	2020 £	2019 £
Harbour dues	225,668	252,987
Buoyage	1,109,605	1,120,986
Other income	198,084	216,874
Pilotage services	586	633
Mooring licences	52,276	52,731
	<u>1,586,219</u>	<u>1,644,211</u>

### Pilotage services

	2020 £	2019 £
Included in the turnover of the Authority:		
Income	2,828	6,413
Expenditure	<u>(2,242)</u>	<u>(5,780)</u>
	<u>586</u>	<u>633</u>

### 3. Average number of employees

The average monthly number of employees during the year was:

	2020	2019
Employees	<u>36</u>	<u>32</u>

### 4. Interest receivable and similar income

	2020 £	2019 £
HMRC CJRS Covid 19 Grant	43,503	-
Net interest on net defined pension asset	6,000	9,000
Bank interest	<u>1,323</u>	<u>5,221</u>
	<u>50,826</u>	<u>14,221</u>

### 5. Interest payable and similar expenses

	2020 £	2019 £
Other loan interest	<u>5,271</u>	<u>5,688</u>

**Dart Harbour & Navigation Authority**

**Notes to the financial statements  
for the year ended 31 December 2020**

**6. Intangible fixed assets**

	<b>Software</b>
<b>Cost</b>	<b>£</b>
At 1 January 2020	25,640
Additions	-
Disposals	-
At 31 December 2020	<u>25,640</u>
<b>Depreciation</b>	
At 1 January 2020	24,358
Charge for the year	1,282
Eliminated on disposals	-
At 31 December 2020	<u>25,640</u>
<b>Net book values</b>	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>1,282</u>

**7. Tangible fixed assets**

	<b>Land and buildings freehold and leasehold</b>	<b>Plant and machinery</b>	<b>Boats</b>	<b>Navigation facilities</b>	<b>Pontoon and jetty</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2020	1,478,495	443,255	442,911	48,869	2,533,083	4,946,613
Additions	-	4,154	27,744	-	201,072	232,970
Disposals	-	-	-	-	-	-
At 31 December 2020	<u>1,478,495</u>	<u>447,409</u>	<u>470,655</u>	<u>48,869</u>	<u>2,734,155</u>	<u>5,179,583</u>
<b>Depreciation</b>						
At 1 January 2020	262,288	340,936	225,044	32,101	1,559,819	2,420,188
On disposals	-	-	-	-	-	-
Charge for the year	<u>21,725</u>	<u>15,971</u>	<u>7,858</u>	<u>1,176</u>	<u>70,563</u>	<u>117,293</u>
At 31 December 2020	<u>284,013</u>	<u>356,907</u>	<u>232,902</u>	<u>33,277</u>	<u>1,630,382</u>	<u>2,537,481</u>
<b>Net book values</b>						
At 31 December 2020	<u>1,194,482</u>	<u>90,502</u>	<u>237,753</u>	<u>15,592</u>	<u>1,103,773</u>	<u>2,642,102</u>
At 31 December 2019	<u>1,216,207</u>	<u>102,319</u>	<u>217,867</u>	<u>16,768</u>	<u>973,264</u>	<u>2,526,425</u>

Freehold land of £90,000 in land and buildings in both 2020 and 2019 is not depreciated.

# Dart Harbour & Navigation Authority

## Notes to the financial statements for the year ended 31 December 2020

### 7. Tangible fixed assets continued

	2020 £	2019 £
Land and buildings		
Freehold	892,255	913,980
Long leasehold	302,227	302,227
	<u>1,194,482</u>	<u>1,216,207</u>

Lloyds TSB Bank Plc. have a 1st legal charge over commercial freehold property known as Hoodown workshop dated 7 April 1981 and a 1st legal charge over commercial leasehold property known as Oxford House dated 7 November 1991.

### 8. Fixed asset investments

	Other unlisted investments £	Total £
<b>Cost</b>		
At 1 January 2020 and at 31 December 2020	<u>3,000</u>	<u>3,000</u>
<b>Net book values</b>		
At 1 January 2020 and at 31 December 2020	<u>3,000</u>	<u>3,000</u>

#### 8.1 Holdings of 20% or more

The company holds 20% or more of the share capital of the following company:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
<b>Significant interests</b>				
Dart House Limited	England and Wales	Freehold owner	£1 ordinary	33.3%

The Authority is a 33.33% ordinary shareholder in Dart House Limited, a management company registered in England and Wales (company number 03165365). The reserves and share capital at the year end 28 February 2021 were £11,548 after a profit of £410 (2020 reserves and share capital were £11,138 after a profit of £225).

**Dart Harbour & Navigation Authority**

**Notes to the financial statements  
for the year ended 31 December 2020**

<b>9. Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	29,047	13,453
Other debtors	1,144	112,019
Prepayments and accrued income	75,930	71,016
	<u>106,121</u>	<u>196,488</u>
<b>10. Current asset investments</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank waiting list deposit accounts	<u>108,403</u>	<u>99,705</u>
<b>11. Cash at bank and in hand</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank current accounts	330,857	120,102
Bank deposit account	571,985	570,608
Cash	762	862
	<u>903,514</u>	<u>691,572</u>
<b>12. Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	179,225	12,895
Other taxes and social security costs	119,270	11,561
Other creditors	37,111	31,393
Accruals	20,810	57,703
Waiting list	108,403	99,705
Deferred income	356,743	344,259
	<u>821,562</u>	<u>557,516</u>
<b>13. Creditors: amounts falling due after one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	<u>312,051</u>	<u>345,130</u>

£161,517 is repayable by instalments after more than 5 years ending in 2029.

# Dart Harbour & Navigation Authority

## Notes to the financial statements for the year ended 31 December 2020

### 14. Provision for deferred taxation

	2020 £	2019 £
Accelerated capital allowances	271,080	244,312
Section 75 PNPF liability	(65,575)	(71,539)
Defined benefit pension scheme	48,450	51,110
	<hr/>	<hr/>
Provision for deferred tax	253,955	223,883
	<hr/>	<hr/>
Provision at 1 January 2019	223,883	188,666
Deferred tax charge in income statement	30,072	35,217
Deferred tax credit in statement of comprehensive income	-	-
	<hr/>	<hr/>
Provision at 31 December 2019	253,955	223,883
	<hr/>	<hr/>

### 15. Pensions and other post-retirement benefits

The Authority operates a defined benefit and a defined contribution scheme in the UK.

#### A. Defined Benefit Scheme

The defined benefit scheme is established under an irrevocable deed of trust and trustees are appointed by the board of the Authority. The defined benefit scheme was closed to new members from 1 January 2003. A full actuarial valuation was carried out for section 28 FRS102 purposes by a qualified actuary of JLT Benefit Solutions Limited as at 31 December 2018 and 2017.

The most recent triennial actuarial valuation for funding purposes completed by the scheme actuary C Snow (Fellow of the Institute of Actuaries) on 28 March 2019 determined contributions on pensionable salaries from the employer of nil and employees 5%. There were no amounts outstanding at the year end.

	2020 £	2019 £
<b>Reconciliation of present values of plan liabilities</b>		
Benefit obligation at beginning of year	(1,314,000)	(1,348,000)
Current service cost	(36,000)	(35,000)
Expenses	(1,000)	(1,000)
Interest cost	(27,000)	(40,000)
Contribution by plan participants	(6,000)	(6,000)
Actuarial loss/(gain)	(98,000)	126,000
Benefits paid and expenses	122,000	(10,000)
Losses due to benefit changes	-	-
	<hr/>	<hr/>
<b>Benefit obligation at end of year</b>	(1,360,000)	(1,314,000)
	<hr/>	<hr/>

# Dart Harbour & Navigation Authority

## Notes to the financial statements for the year ended 31 December 2020

### 15. Pensions and other post-retirement benefits continued

	2020	2019
	£	£
<b>Reconciliation of fair value of plan assets</b>		
Fair value of plan assets at beginning of year	1,583,000	1,647,000
Interest income	38,000	50,000
Actuarial gains/(losses)	(8,000)	69,000
Contributions by the employer	-	36,000
Contribution by plan participants	6,000	6,000
Benefits paid and expenses	(122,000)	10,000
<b>At end of the year</b>	<u>1,497,000</u>	<u>1,818,000</u>
 Unrecognised surplus	 <u>118,000</u>	 <u>(235,000)</u>
	<u>1,615,000</u>	<u>1,583,000</u>
 <b>Net pension scheme asset</b>	 <u>255,000</u>	 <u>269,000</u>
 <b>Amounts recognised in the profit or loss account are as follows:</b>		
<i>Included in cost of sales and administrative cost</i>		
Current service cost	36,000	35,000
Expenses	1,000	1,000
	<u>37,000</u>	<u>36,000</u>
Net Interest	(6,000)	(9,000)
Loss due to benefit changes	<u>-</u>	<u>-</u>
<b>Defined benefit cost recognised in the profit and loss account</b>	<u>31,000</u>	<u>27,000</u>
 <b>Defined benefit costs recognised in other comprehensive income</b>		
Return on plan assets - actuarial gain	(8,000)	69,000
Experience actuarial loss on plan liabilities	17,000	189,000
Effects of changes in the demographic and financial assumptions	(115,000)	(63,000)
Effects of changes in the amount of surplus that is not recoverable	123,000	(234,000)
<b>Total amount of gain/(loss) recognised in other comprehensive income</b>	<u>17,000</u>	<u>(39,000)</u>
 <b>Composition of plan assets</b>		
Government bonds	859,000	694,000
Corporate bonds	734,000	563,000
Property	54,000	56,000
Equities	89,000	94,000
Cash	56,000	471,000
<b>Total assets</b>	<u>1,792,000</u>	<u>1,878,000</u>

None of the fair value of assets shown above includes any direct investments in the Authority's own financial instruments of property used by the Authority.



# Dart Harbour & Navigation Authority

## Notes to the accounts for the year ended 31 December 2020

### 15. Pensions and other post-retirement benefits continued

#### Principal actuarial assumptions used as at the balance sheet date

	31 December 2020 % per annum	31 December 2019 % per annum
Discount rate	1.50	2.10
Inflation (RPI)	2.90	2.80
Inflation (CPI)	2.40	2.00
Salary Growth	2.90	2.80
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.40	2.00
Allowance for pension in payment increases of RPI or 5% p.a. if less	2.80	-
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.00	1.80
Allowance for commutation of pension for cash at retirement	No allowance	No allowance

The mortality assumptions adopted at 31 December 2017 imply the following life expectancies:

	Life expectancy at age 65 2020 (Years)	2019 (Years)
Male retiring in 2020 (2019)	22.1	21.8
Female retiring in 2020 (2019)	23.8	23.6
Male retiring in 2040 (2039)	23.4	23.1
Female retiring in 2040 (2039)	25.3	25.2

#### B. Defined Contribution Scheme

The Authority contributes to a defined contribution scheme for which the amount recognised as an expense in the profit or loss account was £31,790 (2019 : £40,894).

### 16. Operating Lease

The Authority leases that part of the foreshore and fundus or bed and soil of the sea or River Dart from 'His Royal Highness the Duchy of Cornwall' and the lease ends on 31 March 2031. The annual amount is variable and for 2020 is £205,863.

## Dart Harbour & Navigation Authority

### Notes to the accounts for the year ended 31 December 2020

#### 17. Contingent liabilities

The Authority is not released from the Pilots National Pension Fund who still have a legal right to demand further contributions from the Authority should the trustee of the PNPf deem it necessary.

#### 18. Related party transactions

There were no material related party transactions.

#### 19. Exceptional item

Costs in relation to counter pollution work of £101,288 following the sinking of the St Christophe in March 2016 have been written off to the Cost of Sales in the Income Statement as they are no longer deemed recoverable. All other matters with the Saint Christophe have been settled.

#### 20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020	2019
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	29,047	13,453
Cash at bank and in hand	1,011,917	791,277
	<u>1,040,964</u>	<u>804,730</u>
 <b>Financial liabilities measured at amortised cost</b>		
Trade creditors	179,225	12,895
Other creditors	345,130	376,523
	<u>524,355</u>	<u>389,418</u>